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ABSTRACT

This report is the seventh in a series of informational reports concerning the State of Washington's relative ranking in the nation in terms of various measures of support and factors that affect support levels. The report provides five national measures and contains brief comparisons with the states of Oregon and California, which have similar patterns, and Pennsylvania, which is generally dissimilar. Washington ranks 41st in combined state and local appropriations per equivalent full-time student and 7th in per capita state and local appropriations for higher education. One of the major reasons for the difference in these ranks is the percentage of the population enrolled in public higher education. Washington for the second year ranks second in the nation in this measure. At the same time, it ranks 40th in the percentage of private enrollment to total student population. Washington also ranks above the national average in appropriations per $1000 of personal income. These patterns of a higher level of access and commitment to public higher education are similar to that of most western states. (Author)

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Council for Postsecondary Education
State of Washington

Report No. 79-11

FINANCIAL SUPPORT OF HIGHER EDUCATION IN WASHINGTON 1978-79

A NATIONAL COMPARISON

May, 1979

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STATE OF WASHINGTON

COUNCIL FOR POSTSECONDARY EDUCATION

FINANCIAL SUPPORT OF HIGHER EDUCATION IN WASHINGTON

- A NATIONAL COMPARISON -

May, 1979

Project Officer:

Jackie Johnson

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ABSTRACT

This report is the seventh in a series of informational reports concerning the State of Washington's relative ranking in the nation in terms of various measures of support and factors which affect support levels. The report provides five national measures and again contains "mini-comparisons" with the states of Oregon and California, which have similar patterns, and Pennsylvania, which is generally dissimilar.

Washington ranks 41st in combined state and local appropriations per equivalent full-time student and 7th in per capita state and local appropriations for higher education. One of the major reasons for the difference in these ranks is the percentage of the population enrolled in public higher education. Washington for the second year ranks second in the nation in this measure. At the same time, it ranks 40th in the percentage of private enrollment to total student population. Washington also ranks above the national average in appropriations per $1000 of personal income. These patterns of a higher level of access and commitment to public higher education are similar to that of most western states.

INTRODUCTION

This report of the 1978-79 Financial Support of Higher Education is the seventh of a series of similar reports prepared by the Council for Postsecondary Education. The report is designed to provide information concerning the State of Washington's relative ranking in the nation in terms of various measures of support and factors which affect support levels. The following criteria are used to describe Washington's relative status:

(1) State and local tax support for higher education -- the amount of tax funds each state is making available to higher education from sources other than student fees.

(2) Higher education enrollments -- the demand for services in each state and the extent of services provided by non-public higher education.

(3) The factors relating to differences among the states including their population.

The majority of published comparisons dealing with financial support of higher education concentrate on state appropriations and include few, if any, descriptive measures. The Council's reports on this subject represent an attempt to bring a number of relevant factors to bear on this issue to aid decision makers in understanding overall patterns of state financial support and some of the major reasons for those patterns.

The rankings contained in this report are all contingent upon the relationships of the two components measured in each table. During the years of steady national enrollment growth, the tables predominantly

illustrated the relative positions of the states in the support of that growth. This year's data reflect what could be the beginning of a new trend. For instance, 37 of the 50 states declined in public institution enrollment (-2.7 percent). The interesting phenomenon is that in all but three states (Arkansas, California, and Texas) declining enrollments were coupled with a pattern of increased appropriations. It appears, however, that some adjustments were made for declining enrollments since state and local appropriations per FTE student increased nationally by 7.4 percent while per capita personal income increased an average of 9.7 percent nationally.

Combined State and Local Appropriations for Higher Education
Per Equivalent Full-Time Student

In reviewing Table 1, it should be kept in mind that the figures do not represent a unit instructional cost. They are, rather, the total state and local appropriations for higher education divided by a uniformly derived student measure, "equivalent full-time students." The appropriations include funds for research, hospitals, student aid, etc., which are not necessarily related to enrollment.

The table does suggest, however, the financial commitment of state and local governments to the support of higher education after considering the demand for the services and the funds available for support.

Washington ranks 41st as compared to 35th in 1977-78. This primarily reflects virtual stability in enrollments with a modest increase in appropriations in Washington in relation to a pattern of declining enrollments coupled with greater increases in appropriations in other states. Washington's relationship to three other states (California and Oregon with similar patterns and Pennsylvania, which has a dissimilar pattern) and the national average are shown below. The four states share a common characteristic in that the relative position of each state has declined. This is primarily the result of percentage increases in appropriations per FTE student being well below the national average in each case.

State and Local Appropriations Per Student

Rank			Amount	
1977-78	1978-79	State	1977-78	1978-79
8	10	Pennsylvania	$ 3,193	$ 3,408
11	19	California	$ 2,847	$ 3,017
-	-	National Average	$ 2,677	$ 2,954
23	32	Oregon	$ 2,586	$ 2,674
35	41	Washington	$ 2,326	$ 2,376

TABLE 1

1978-79

COMBINED STATE AND LOCAL APPROPRIATIONS FOR HIGHER EDUCATION
PER EQUIVALENT FULL-T ME STUDENT

Rank	State	Amount	Percent Increase Over 1977-78
1	Alaska	$ 6075	39.2%
2	New York	3984	3.3
3	Wyoming	3896	17.9
4	Iowa	3793	10.8
5	Idaho	3539	9.3
6	Minnesota	3511	3.5
7	Hawaii	3454	5.5
8	Alabama	3428	21.3
9	North Carolina	3417	11.9
10	Pennsylvania	3408	6.7
11	South Carolina	3401	14.2
12	Georgia	3368	20.7
13	Kentucky	3295	28.2
14	Connecticut	3212	25.5
15	Mississippi	3139	18.6
16	Nebraska	3094	9.6
17	Indiana	3040	10.3
18	Utah	3038	14.3
19	California	3017	6.0
20	Arkansas	2998	5.6
21	Illinois	2990	15.2
22	West Virginia	2983	20.4
23	New Mexico	2970	13.4
24	Kansas	2964	19.9
25	Wisconsin	2958	11.1
	National Average	2954	10.4
26	Michigan	2878	20.8
27	Rhode Island	2851	11.1
28	Nevada	2704	8.2
29	Missouri	2699	11.9
30	Maryland	2692	10.0
31	Texas	2676	1.0
32	Oregon	2674	3.4
33	Virginia	2664	25.5
34	Louisiana	2658	19.4
35	New Jersey	2633	7.1
36	Arizona	2581	20.4
37	Tennessee	2573	20.5
38	Florida	2571	8.2
39	South Dakota	2438	12.7
40	Ohio	2427	11.6
41	Washington	2376	2.2
42	Delaware	2375	10.6
43	North Dakota	2371	6.7
44	Montana	2350	4.2
45	Colorado	2327	11.8
46	Massachusetts	2303	10.5
47	Maine	2159	9.9
48	Oklahoma	2068	14.7
49	Vermont	1933	14.5
50	New Hampshire	1466	(4.9)

Combined State and Local Appropriations for Higher Education Per Capita

Table 2 illustrates the appropriations for higher education on the basis of the population of the various states. This measure is somewhat simplistic in that it does not take into account any of the other factors which affect support. It is a commonly used measure, however, since it adjusts for the relative sizes of the various states.

Although Washington ranks high on this measure, as it has for a number of years, a population growth of 3.2 percent in fiscal 1978 compared with a 2.0 percent increase in appropriations resulted in a slight decline. The fact that the 1977 Legislature approved a phased increase in tuition and fees resulted in a greater offset to appropriations from tax funds in 1978-79 than in the previous year. In the comparison below, the change in rank order of the states between Tables 1 and 2 in the "mini-comparison" should be noted.

State and Local Appropriations Per Capita

Rank			Amount	
1977-78	1978-79	State	1977-78	1978-79
2	4	California	$124.50	$119.24
6	7	Washington	$104.02	$102.79
7	11	Oregon	$ 98.30	$ 98.26
-	-	National Average	$ 78.14	$ 83.00
40	44	Pennsylvania	$ 59.39	$ 61.95

TABLE 2

1978-79

COMBINED STATE AND LOCAL APPROPRIATIONS FOR HIGHER EDUCATION
ON A PER CAPITA BASIS

Rank	State	Amount
1	Alaska	$184.99
2	Wyoming	132.69
3	Hawaii	126.83
4	California	119.24
5	Arizona	113.07
6	Kansas	104.63
7	Washington	102.79
8	Wisconsin	101.37
9	Utah	101.03
10	Alabama	100.46
11	Oregon	98.59
12	Nebraska	98.26
13	Minnesota	98.14
14	Idaho	97.94
15	North Dakota	97.54
16	Iowa	97.45
17	North Carolina	97.30
18	New Mexico	96.96
19	Michigan	96.90
20	Mississippi	95.24
21	South Carolina	92.53
22	New York	91.41
23	Colorado	90.78
24	Delaware	83.76
25	Texas	83.69
	National Average	83.00
26	Virginia	82.71
27	Illinois	81.79
28	West Virginia	79.63
28	Maryland	79.63
30	Kentucky	78.02
31	Nevada	75.93
32	Indiana	71.54
33	Montana	71.29
34	Rhode Island	70.95
35	Louisiana	70.34
36	Oklahoma	69.29
37	Georgia	68.61
38	Connecticut	66.76
39	South Dakota	65.96
40	Tennessee	64.37
41	Arkansas	64.19
42	Florida	62.34
43	Missouri	62.10
44	Pennsylvania	61.95
45	Ohio	58.17
46	New Jersey	56.93
47	Vermont	54.90
48	Massachusetts	47.34
49	Maine	44.88
50	New Hampshire	31.62

Percentage of Student Enrollment in Public Institutions to Total Population

Table 3 reflects the higher education participation levels at public institutions in the fifty states. It indicates the extent to which public higher education services are extended to the population and is an overall measure of accessibility.

This measure provides one of the main reasons for the differences in Washington's ranking between Tables 1 and 2. The slight decline in the percentage of enrollment to total population shown in the "mini-comparison" below illustrates Washington's enrollment stability concurrent with the previously mentioned population increase.

Percentage of Enrollment to Total Population

Rank			Percent	
1977-78	1978-79	State	1977-78	1978-79
2	2	Washington	4.47%	4.33%
3	4	California	4.37	3.95
6	6	Oregon	3.80	3.69
-	-	National Average	2.91	2.81
50	50	Pennsylvania	1.86	1.82

TABLE 3

1978-79

PERCENTAGE OF STUDENT ENROLLMENT IN PUBLIC INSTITUTIONS
TO TOTAL POPULATION

Rank	State	Percent
1	Arizona	4.38%
2	Washington	4.33
3	North Dakota	4.11
4	California	3.95
5	Colorado	3.90
6	Oregon	3.69
7	Hawaii	3.67
8	Kansas	3.53
8	Delaware	3.53
10	Wisconsin	3.43
11	Wyoming	3.41
12	Oklahoma	3.35
13	Utah	3.33
14	New Mexico	3.26
15	Nebraska	3.18
16	Texas	3.13
17	Virginia	3.10
18	Alaska	3.05
19	Montana	3.03
19	Mississippi	3.03
21	Michigan	3.00
22	Maryland	2.96
23	Alabama	2.93
24	North Carolina	2.85
25	Vermont	2.84
26	Nevada	2.81
	National Average	2.81
27	Minnesota	2.79
28	Idaho	2.77
29	Illinois	2.74
30	South Carolina	2.72
31	South Dakota	2.70
32	West Virginia	2.67
33	Louisiana	2.65
34	Iowa	2.57
35	Tennessee	2.50
36	Rhode Island	2.49
37	Florida	2.42
38	Ohio	2.40
39	Kentucky	2.37
40	Indiana	2.35
41	Missouri	2.30
42	New York	2.29
43	New Hampshire	2.16
43	New Jersey	2.16
45	Arkansas	2.14
46	Maine	2.08
47	Massachusetts	2.06
48	Connecticut	2.04
48	Georgia	2.04
50	Pennsylvania	1.82

Percentage of Private Institution Enrollment to Total Enrollment

Another factor which affects the extent to which a state must respond to educational needs through public institutions and then support these institutions financially is the amount of services made available by private institutions. Private institutions make up a substantial share of available capacity in the eastern United States where private schools preceded public institutions. In the West, with the exception of Utah, the development of both sectors took place at approximately the same time and there has been a greater commitment to public higher education in most of the western states.

While public enrollments declined 2.7 percent nationally in 1978-79, private enrollments declined only .4 percent. Washington ranks 40th in this measure as shown on Table 4 with a proportional private college enrollment of less than one-half of the national average. The proportion of private enrollment in Washington increased over last year as a result of a real growth in private enrollments in excess of 5 percent.

Percentage of Enrollment in Private Institutions

Rank			Percent	
1977-78	1978-79	State	1977-78	1978-79
6	6	Pennsylvania	41.54%	42.29%
-	-	National Average	23.54	23.96
37	36	Oregon	13.71	13.83
38	37	California	13.11	13.61
40	40	Washington	10.85	11.48

TABLE 4

1978-79

PERCENTAGE OF PRIVATE INSTITUTION ENROLLMENT
TO TOTAL STUDENT ENROLLMENT

Rank	State	Percent
1	Massachusetts	59.57%
2	Rhode Island	48.14
3	Vermont	44.85
4	New Hampshire	44.84
5	New York	43.49
6	Pennsylvania	42.29
7	Connecticut	40.68
8	Utah	39.78
9	Missouri	32.18
10	Iowa	31.37
11	Maine	29.55
12	South Dakota	28.03
13	Illinois	27.11
14	Tennessee	26.77
15	Indiana	26.64
16	Minnesota	25.20
17	North Carolina	24.50
18	New Jersey	24.44
19	Ohio	24.22
	National Average	23.96
20	Idaho	23.76
21	Georgia	23.04
22	South Carolina	22.97
23	Florida	20.91
24	Nebraska	20.17
25	Kentucky	19.07
26	Arkansas	15.86
27	Virginia	15.69
28	Oklahoma	15.41
29	Michigan	15.19
30	West Virginia	15.05
31	Alabama	14.61
32	Wisconsin	14.42
33	Louisiana	14.36
34	Maryland	14.27
35	Texas	14.22
36	Oregon	13.83
37	California	13.61
38	Delaware	13.24
39	Kansas	13.02
40	Washington	11.48
41	Mississippi	11.04
42	Colorado	10.11
43	Montana	8.22
44	Hawaii	6.31
45	North Dakota	6.29
46	New Mexico	5.70
47	Arizona	4.04
48	Alaska	2.24
49	Nevada	.92
50	Wyoming	0

Combined State and Local Appropriations for Higher Education
Per $1000 of Personal Income

Although there is not a direct correlation between personal income and the tax revenue of a state, this measure appears to reflect the relationship of tax availability and the proportion of taxes devoted to higher education. As in the previous table, the Table 5 rankings reflect the financial commitment of those states with high public enrollment pressures and higher than average per capita appropriations.

It is interesting to note that on a national basis state and local appropriations to higher education increased 7.4 percent while per capita income increased 9.4 percent. In Washington, state tax appropriations (net of student operating fees) increased 2.0 percent.

While inflation and population growth were contributing factors to increased personal income, Washington also experienced real economic growth in aerospace, wood products, agriculture, and their supporting industries. The 14 percent increase in personal income was also influenced by an additional 100,000 persons entering the labor market.

Appropriations per $1000 of Personal Income

Rank			Amount	
1977-78	1978-79	State	1977-78	1978-79
4	13	California	$ 17.41	$ 15.07
11	18	Oregon	$ 15.70	$ 14.07
14	20	Washington	$ 15.29	$ 13.65
-	-	National Average	$ 12.66	$ 11.83
42	44	Pennsylvania	$ 9.22	$ 8.84

TABLE 5

1978-79

COMBINED STATE AND LOCAL APPROPRIATIONS FOR HIGHER EDUCATION
PER $1000 OF PERSONAL INCOME

Rank	State	Amount
1	Mississippi	$18.93
2	Alabama	17.87
3	Wyoming	17.55
4	Alaska	17.48
5	Arizona	17.37
6	Utah	17.05
7	New Mexico	16.55
8	Hawaii	16.52
9	South Carolina	16.44
10	North Carolina	16.39
11	Idaho	16.38
12	North Dakota	15.76
13	California	15.07
14	Wisconsin	14.71
15	Kansas	14.67
16	Nebraska	14.62
17	Iowa	14.17
18	Oregon	14.07
19	Minnesota	13.77
20	Washington	13.65
21	West Virginia	13.30
22	Kentucky	13.12
23	Colorado	12.68
24	Texas	12.30
25	New York	12.13
26	Virginia	12.04
27	Louisiana	11.09
	National Average	11.83
28	Montana	11.64
29	Arkansas	11.59
30	Georgia	11.41
31	Michigan	11.33
32	Tennessee	11.13
33	South Dakota	11.10
34	Oklahoma	10.92
35	Delaware	10.88
36	Illinois	10.53
37	Maryland	10.52
38	Rhode Island	10.47
39	Indiana	10.34
40	Nevada	9.51
41	Vermont	9.43
42	Florida	9.33
42	Missouri	9.33
44	Pennsylvania	8.84
45	Connecticut	8.28
46	Ohio	8.21
47	Maine	7.83
48	New Jersey	7.12
49	Massachusetts	6.52
50	New Hampshire	4.84

SUMMARY

While no single index has been developed to encompass all of the factors affecting state and local support of public higher education, the measures used in this report reflect a pattern influenced by demography and local history and tradition.

For example, the Western states have placed a greater reliance on public higher education than the average. They also have a larger than average proportion of their population enrolled. The extent of public higher education services provided is, therefore, greater than average. This is reflected in larger per capita appropriations and proportions of tax revenue for higher education. This often also results in lower amounts per student served. Washington (along with California and Oregon) reflect this pattern. While these generalizations do not apply equally to all states in the West (and the converse is not always the case in the East), the patterns reflected in these tables are important to keep in mind when reviewing comparisons of higher education data. These factors also indicate that it is unwise to base policy recommendations on any single measure of effort.

This report reflects the emerging pattern of stable or declining enrollments. The effects of this pattern may temporarily result in even greater appropriations per full-time equivalent students in those states with declining enrollments. Though generally based on enrollments, appropriations will lag behind enrollment declines unless and until staffing adjustments are made. Increased appropriations to keep pace with inflation and rising utility costs will also be reflected in greater per student support.

APPENDIX A

Sources of Data

1. Chambers, M. M., "Appropriations of State Tax Funds for Operating Expenses of Higher Education, 1978-79", Office of Institutional Research, National Association of Land Grant Colleges, One Dupont Circle, NW, Washington, D. C.

   Revisions to this source data to accurately reflect the appropriations of the second year of the biennium include North Dakota - $63,593,000 (51.5% of the biennial total) and Washington - $387,917,000 (51.0% of the biennial appropriation).

2. U. S. Department of Commerce, Series P-25, No. 794, March, 1979.

3. U. S. Bureau of Economic Analysis, "Survey of Current Business", August, 1978. Table 2 - Per Capita Personal Income, by States and Regions.

4. U. S. Department of Health, Education and Welfare, "Opening Fall Enrollment in Colleges and Universities, 1978", December, 1978.

5. Council for Postsecondary Education Telephone Survey for Fiscal 1979, Local Tax Support to Higher Education.